

Message Text

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ACTION EB-07

INFO OCT-01 EA-07 ISO-00 ERDA-05 AID-05 CEA-01 CIAE-00

COME-00 EPG-02 DODE-00 FEAE-00 FPC-01 H-01 INR-07

INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06

OES-07 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 /096 W

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R 190755Z MAY 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 9969

INFO AMEMBASSY JAKARTA

AMEMBASSY SINGAPORE

AMEMBASSY TAIPEI

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E.O. 11652: N/A

TAGS: ENRG, RP

SUBJECT: OIL INDUSTRY SPOKESMAN PRAISES U.S. OIL COMPANIES

1. JOSE DE VENECIA, JR., A LEADING SPOKESMAN FOR THE OIL EXPLORATION INDUSTRY, PUBLICLY PRAISED THE U.S. OIL COMPANIES IN A SPEECH ON MAY 17 AT THE MAKATI ROTARY CLUB. DE VENECIA IS CHAIRMAN AND PRESIDENT OF BASIC PETROLEUM AND MINERALS, INC. AND LANDOIL RESOURCES CORPORATION, AND WAS FORMERLY PRESIDENT OF THE PETROLEUM ASSOCIATION OF THE PHILIPPINES. BEFORE MARTIAL LAW HE WAS A YOUNG AND ENERGETIC CONGRESSMAN FROM PANGASINAN.

2. DE VENECIA ADMITTED THAT THE FILIPINO OIL COMPANIES WERE FORMERLY INTERESTED IN DRILLING FOR OIL ONLY IN THE STOCK MARKET. BUT THAT WAS IN PRE-MARTIAL LAW DAYS, HE CLAIMED. HE PAID TRIBUTE TO THE POLICIES OF PRESIDENT MARCOS WHICH PRODUCED A RATIONALIZATION OF THE OIL EXPLORATION INDUSTRY AND INTENSIFIED THE SEARCH FOR OIL IN THE PHILIPPINES.

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3. IN DISCUSSING THE EXPLORATION PICTURE, DE VENECIA STRESSED THE ROLE OF PRIVATE ENTERPRISE -- BOTH FILIPINO AND THE MULTINATIONALS. OF THE TOTAL OF 26 WELLS DRILLED, 19 WERE SPUN BY MULTI-NATIONALS, SIX BY FILIPINOS AND ONLY ONE BY THE GOP-OWNED PHILIPPINE NATIONAL OIL COMPANY. HE NAMES THE MULTI-NATIONALS INVOLVED -- AMERICAN, SWEDISH, CANADIAN, AND CHINA PETROLEUM OF TAIWAN. HE DID NOT SHRINK FROM

TALKING ABOUT CHINA PETROLEUM OR THE FACT THAT THE PRC HAS NOT RESPONDED TO PHILIPPINE OVERTURES ON OIL EXPLORATION.

4. DE VENECIA WAS UNSTINTING IN HIS PRAISE OF THE UNITED STATES. OF THE 1 BILLION PESOS EXPENDED ON EXPLORATION IN 1976/77, HE NOTED THAT U.S. COMPANIES SHOULDERED 90 PERCENT OF THIS HIGH COST AND RISK EFFORT. HE SAID THE UNITED STATES COULD HAVE USED THE EXPERTISE AND MONEY OF THE OIL COMPANIES AS A BARGAINING CHIP FOR CLARK AND SUBIC, BUT DID NOT DO SO.

5. COMMENT: DE VENECIA'S PRAISE OF THE UNITED STATES WAS APPLAUDED BY THE 90 ODD ROTARIANS, WHO WERE OF COURSE SUCCESSFUL BUSINESSMEN AND GENERALLY AMERICAN-ORIENTED. HIS REMARKS WERE REPORTED IN THE MAY 19 DAILY EXPRESS, WHICH DID NOT CARRY HIS PRO-AMERICAN STATEMENTS. BUSINESS DAY ALSO CARRIED WHAT APPEARED TO BE AN EXPANDED VERSION OF HIS TALK, SHOWING ADDITIONAL RESEARCH, BUT ATTRIBUTED THE STORY TO AN INDUSTRY SPOKESMAN. DE VENECIA'S PUBLIC PRAISE IS RARE THESE DAYS, AND THE PRESS TREATMENT IS WHAT WE HAVE COME TO EXPECT.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Enclosure: n/a
Executive Order: N/A
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